I. *Handloom Sector:*

U.S.

(i) Removal of restraints on Category 369-O (Other Cotton made-ups);

(ii) providing additional 5% quota for 100% cotton garments made of handloom fabrics in Categories 334/634 (Men's and boys coats) and 351/651 (Pyjamas and nightwear).

E.U.

Removal of restrictions on handloom and cottage industry products and exceptional flexibilixties of 7,000 tonnes per year for the period 1995 to 1997 and 8,000 tonnes for the period 1998 to 2004.

II. *Powerloom Sector:*

U.S.

(i) Removal of restraints on Cat 369-0 (Other Cotton made-ups);

(ii) increase in base level for the categories 218 (Yarn Dyed Fabrics), 239 (Duck Mabrics) and Group II and (iii) providing additional flexibilities in categories 363 (Terry towels) and 313.

E.U.

Exceptional flexibilities of 7,000 tonnes per year for the period 1995 to 1997 and 8,000 tonnes for the period 1998 to 2004.

(b) The market access agreements are expected to provide a substantial fillip to our exports to the U.S.A. and the E.U. countries. As regards imports, the import duty barrier is still appreciable and imports of apparel, made ups and fabrics (except some industrial fabrics) are being allowed for the present only under the Special Import Licence route, which is limited in extent. Thus large scale imports of tetxiles are not likely in the near future as a consequence of the market access agreements.

Export-Oriented Cotton and Synthetic Spinning Unit in North Kerala

3489. SYED SIBTEY RAZI: Will the Minister of TEXTILES be pleased to state:

(a) whether any Memorandum of Understanding has been signed by a group of NRIs based at Indonesia for establishment of an export-oriented cotton and synthetic spinning unit in North Kerala;

(b) if so, the details thereof with terms and conditions;

(c) whether Government propose an ask other State Governments to explore similar possibilities of establishment of such units in their respective States and Union Territories to generate more avenues of employment; and

(d) if so, the details thereof and, if not, the reasons therefor?

THE MINISTER OF TEXTILES (SHRI G. VENKAT SWAMY): (a) to (d) The shceme for Export Oriented Units envisages duty free procurement of capital goods and raw material etc. for export production and under the Scheme foreign/NRI equity upto 100 per cent is permissible. Such units can be set up in any part of the country, subject to the Government's locational guidelines. However, the details of the MOUs signed by NRI's based in various countries for setting up 100 per cent EOUs in different parts of the country become known to the Government only when the concerned Indian parties seek approvals required from the agencies concerned.

Export Oriented Spinning Mills

3490. SHRI RAHASBIHARI BARIK: Will the Minister of TEXTILES be pleased to state:

((a) whether Government have a proposal to set up some export-oriented spinning mills: